Agriculture loans

†3127. SHRI KRIPAL PARMAR: Will the Minister of FINANCE be pleased to state: (a) whether Government have accepted the recommendations of Shri R.V. Gupta panel on agriculture loans constituted by Reserve Bank of India for making far reaching changes to streamline the procedure of procuring the agriculture loans and to improve the availability of agriculture loans in the country;

(b) if so, when; and

(c) what has been the impact of these recommendations on agricultural economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Majority of the recommendations made by R.V. Gupta Committee for simplification and improvement in system and loan procedures have been accepted by Reserve Bank of India (RBI). Banks were advised by RBI to implement the recommendations *vide* their circular dated 20-5-1998 and all banks have implemented most of the recommendations.

(c) The recommendations of Gupta Committee are expected to facilitate easy access to credit by farmers from banks, quicken the pace of flow of credit to agriculture sector, enhance quantum of credit to farmers besides enabling them to get timely and adequate credit from banks for meeting not only their production needs but also their house-hold/post harvest expenditure. The impact of the recommendations on the agro-economy cannot be adjudged in isolation since the implementation of the recommendations by banks was supplementary and complementary to other measures adopted by banks simultaneously, such as formulation of Special Agricultural Credit Plan (SACP), introduction of Kisan Credit Card Scheme, etc. However, during the past few years, there has been marked improvement in the disbursement of credit to agriculture. The

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†Original notice of the question was received in Hindi.

disbursement of credit to agriculture by public sector banks under SACP since 1994-95 is given below:

Year (April-March)	Amount Disbursed (Rs. Crores)
1994-95	8255.00
1995-96	10172.45
1996-97	12782.53
1997-98	14808.35
1998-99	17787.63
1999-2000	21913.14
2000-2001	24654.40

Present status of disinvestment funds

3128. SHRI VEDPRAKASH P. GOYAL: Will the Minister of FINANCE be pleased to state:

(a) whether the disinvestment fund has since been created as suggested by the Disinvestment Commission;

(b) if so, the present status of the fund; and

(c) in what manner the loss making Public Sector Undertakings have been helped out of the Disinvestment Fund?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) The Government had decided in January, 1997, to earmark 10% of the disinvestment proceeds for revival of sick Public Sector Undertakings. Even though no such fund has been formally created, the cumulative budget support to the public sector undertakings has been much more than the equivalent of 10% of the disinvestment proceeds as per details provided in the statement.